~~CONFIDENTIAL~~
~~SECRET~~

27 May 1954

DDP-1-2778

MEMORANDUM FOR RECORD:

SUBJECT: Measures for the thorough inspection
of the SS ALFHEM and interrogation of
the Master, officers and crew.

1. Upon the policy authorization of the State Department
and with the confirmation of the Central Intelligence Agency, the
Bureau of Customs and the United States Coast Guard will undertake
the following steps to implement the above-mentioned examination
and interrogation.

2. Customs will instruct local Customs authorities in Key West,
Florida, to do everything possible to see to it that the examination
and interrogation shall be made possible and that the vessel shall
remain either at anchorage or in port for a sufficient length of time
to enable this to be done.

3. Customs will board the ALFHEM at Key West and advise the
Master that he is not to depart until permission is obtained from
the Deputy Collector of Customs in Charge. Customs will then advise
the Coast Guard senior officer of the instructions given to the Master
and Coast Guard will keep the vessel under surveillance and take any
action deemed necessary to prevent his unauthorized departure. It is
understood that Customs is delaying departure of the ALFHEM at the
request of the Department of State and the Central Intelligence Agency
and Customs will be governed by the instructions received from Mr.
[   ] of CIA who will arrive at Key West, Florida, early
this evening.

4. It is further understood that the action to be taken by the
Coast Guard in this connection will be as Customs Officers acting
under the Authority of Sec. 1581 of Title 19, US Code Annotated.

5. A partial but very important basis for the foregoing decisions
and proposed action is the understanding of CIA, Customs and Coast
Guard, received from State Department, that the owner of the vessel
has stated that he has dispatched instructions to the Master to pro-
ceed from Puerto Barrios, Guatemala, to a US port for the purpose of
submitting to inspection and interrogation by American authorities
for the information they want. The owner has given his verbal assur-
ance that no indemnification of any kind will be sought for any re-
sulting delay to the ship, and the Swedish Government has extended
full cooperation to the United States Government in effecting these
arrangements with the owner and is aware of the proposed examination.

6. It is further understood that in connection with the entire handling of this matter, all appropriate measures will be taken and observed to avoid publicity. However, it is anticipated that these efforts could not be entirely successful in view of the fact that the vessel is so well known and is such a target for the press.

7. The following representatives of the departments and agencies referred to in the above, were present at the meeting at which this memorandum was prepared, and acknowledge the accuracy of the above-stated understanding:

FOR THE TREASURY DEPARTMENT -

The Honorable H. Chapman Rose,
Assistant Secretary

Rear Admiral A. C. Richmond
Assistant Commandant, US Coast Guard

Mr. Chester A. Emerick
Deputy Commissioner of Customs of the
Investigations Division

FOR THE DEPARTMENT OF STATE -

Mr. Raymond G. Leddy
Officer in Charge Central America and
Panama Affairs

FOR THE CENTRAL INTELLIGENCE AGENCY -

Mr. Frank G. Wisner
Deputy Director (Plans)

FRANK G. WISNER
Deputy Director (Plans)

(In addition to Sec. 1581 of Title 19, US Code Annotated, cited above, a further possible legal basis for this action is the Magnusson Act, the Executive Order issued thereunder, and the Coast Guard Regulations promulgated pursuant thereto.)

cc: Mr. Rose (2)
    Mr. Leddy (1)

5/27/54: DD/P in collaboration w/all listed above.
Orig. to DCI for info.
1 cc Mr. Leddy   2 cc Mr. Rose
1 cc - C/WH   1 cc DD/P SUCCESS file.